



BUSINESS IN MARYLAND

MANUFACTURING & PRODUCTION

MARYLAND
BUSINESS IN



PROFILE



Maryland's traditional manufacturing and production industry includes a diverse blend of companies, some over 100 years strong. Spanning the continuum is **W. R. Grace**, established in the 1800s, the second longest operating chemical company in the U.S. and a leading manufacturer of silica-based materials generating \$2.7 billion in revenue in 2010. The state hosts a variety of 21st century industries including defense electronics, aeronautics, systems engineering, medical diagnostics, specialty chemicals, software and aircraft engines. In 2010, Maryland's 4,500 manufacturing businesses generated \$17.6 billion in GDP.



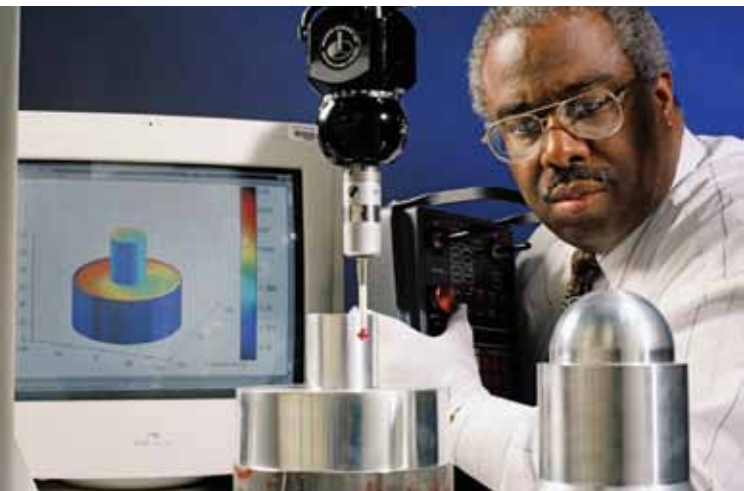
WORKFORCE

2nd in concentration
of professional and
technical workers

TOP 10 MANUFACTURING EMPLOYERS

Northrop Grumman	11,000
Lockheed Martin	9,000
MedImmune	2,400
W.L. Gore & Associates	2,300
McCormick & Company	2,200
BAE Systems	2,000
Under Armour	2,000
RG Steel	2,000
BD Diagnostics	1,700
Perdue Farms	1,700

U.S. News & World Report 2011 ranked the University of Maryland College Park as one of the top ten colleges in the undergraduate business specialty of Supply Chain Management





INFRASTRUCTURE

The Port of Baltimore
is #1 in the nation for
roll-on, roll-off cargo



INFRASTRUCTURE

Centrally located along the U.S. east coast, offering proximity to New York, Philadelphia and Washington, Maryland's robust transportation infrastructure provides immediate access to major distribution and travel routes.

- Three international airports within an hour's drive
 - Baltimore/Washington International Thurgood Marshall Airport
 - Dulles International Airport
 - Reagan National Airport
- Two Class I freight rail carriers, CSX and Norfolk Southern, and five short lines
- A deep-water, inland port that handles nearly 33 million tons of cargo annually
- Six interstate highways that link the state to every major U.S. market
- Overnight trucking access to one-third of the U.S. population



MARYLAND'S WORKFORCE PIPELINE

Maryland's highly skilled and diverse workforce ranks second in the percentage of the population age 25 and above with a graduate or professional degree. The workforce pipeline is fueled by a concentration of workers greater than the national average in:

- computer support specialists
- electronics engineers
- general and operations managers
- mathematicians
- chemists

MANUFACTURING INCENTIVES

Maryland manufacturers benefit from single sales apportionment of business income and other incentives that include:

- No gross receipts tax
- No sales tax on capital manufacturing machinery and equipment
- No sales tax on tangible personal property consumed in manufacturing
- No sales tax on equipment or materials used for R&D
- No sales tax on energy consumed predominately for production
- No state business personal property tax
- No corporate franchise tax
- No income tax on foreign dividends*

** if corporation owns 50 per cent or more of subsidiary*

TREND SETTER



GM is producing next generation rear wheel drive motors at GM Powertrain in White Marsh. The new manufacturing facility will produce 40,000 Global Rear Wheel Drive (GRE) motors. The GRE motors, which will be placed in both automobiles and trucks, will transform power from a motor vehicle's gasoline engine and battery into usable power to propel the vehicle and provide the fuel savings of an electric drive.

MANUFACTURING IN MARYLAND

Emergent BioSolutions – Biopharmaceutical company develops, manufactures and commercializes vaccines and therapeutics for infectious diseases

Lion Brothers – Designs and manufactures embroidered emblems for military and commercial uniforms, including Olympic athletes and the Boy Scouts of America

Marlin Steel Wire Products – Manufactures custom-designed wire baskets and hooks for aviation, defense and biotechnology industries

Perdue Farms – Family owned and operated since 1920 and the third largest poultry company in the U.S., Perdue Farms services customers in more than 50 countries

PRS Guitars – A leading manufacturer of high-end electric guitars highly prized by musicians and collectors around the world

Saft – Designs, develops and manufactures high performance lithium batteries for industrial, defense and space applications

Sierra Nevada – Engineers electronics systems, communications systems, aviation, and space systems for the private and government sectors

Under Armour – With global headquarters in Baltimore, UA is the originator of performance sports apparel engineered to keep athletes cool and dry by working with the body to regulate temperature

W.L. Gore – Global fluoropolymer technology and manufacturing and creator of GORE-TEX.® On the US “100 Best Companies to Work For” list since 1984





STABILITY

AAA Bond Rating
certified by Moody's, Fitch
and Standard & Poor's

SELECT STATE FUNDING PROGRAMS

Maryland supports business ventures with a wide array of incentive based solutions, including workforce training grants, loans and twenty-nine Enterprise Zones that provide income and real property tax credits in return for job creation and investments. Select funding, technology transfer and technical assistance programs include:

Assistance/Incentive Funding Programs

BRAC Revitalization and Incentive Program –

Focuses growth in designated areas, provides local governments with financial assistance in public infrastructure and aligns other state resources and programs to local governments and businesses in BRAC zones.

Brownfields Revitalization Incentive Program – A site that qualifies for this incentive program may qualify for real property tax credits as well. For five years after cleanup a site may qualify for a real property tax credit between 50% and 70% of the increased value of the site.

Maryland Economic Adjustment Fund – Assists small business entities in the state with modernization of manufacturing operations, the development of commercial applications for technology, and exploring and entering new economic markets.



MD Industrial Development Financing Authority – MIDFA encourages private sector investments through the use of insurance, the issuance of tax-exempt and taxable revenue bonds and linked deposits. Insurance reduces the lender's credit risk. All MIDFA projects must be in a Priority Funding Area.

Maryland Venture Fund – The MVF administers several programs including the Challenge and Enterprise Investment Programs to provide emerging high-technology businesses access to early-stage capital. Investment decisions are based on the project's potential return, the promotion of economic development and the creation of jobs.



Tax Credit Programs

Enterprise Zone Tax Credit – Businesses locating in a Maryland Enterprise Zone may be eligible for real property and state income tax credits in return for job creation and investments. Areas within two of the 29 zones may also be eligible for personal property tax credits.

Job Creation Tax Credit – Provides an income tax credit of up to \$1,000 or \$1,500 in a “revitalization area” to eligible businesses that create new jobs to encourage businesses expanding or relocating to Maryland.

One Maryland Tax Credit – Businesses that invest in economic development in a “qualified distressed county” may qualify for project tax credits up to \$5 million and start-up tax credits of up to \$500,000.

Research and Development Tax Credit – Businesses with qualified research and development expenses in Maryland are entitled to a tax credit if eligible and certified by the Maryland Department of Business & Economic Development

For more detailed information go to Business Resources at ChooseMaryland.org



MARYLAND DEPARTMENT OF BUSINESS & ECONOMIC DEVELOPMENT

Looking to start, expand or relocate a business? Our staff helps business owners of all sizes and sectors leverage resources, forge relationships and access industry specialists. The Department is your resource for economic, labor and license information and financial incentives.

Services include:

- Building and site location assistance
- Finance programs, tax credits and training grants
- Business advocacy and consulting
- Technology transfer
- Foreign direct investment
- Export consulting and marketing
- Tradeshow and conference partnership

Visit choosemaryland.org for:

- Demographic and comparison data
- Business licensing information
- Business news and newsmakers
- Economic and employment stats
- Centralized event calendar

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